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#### CURRENT SUPPORT MEMORANDUM

CZECHOSLOVAKIAN AIRLINE FLUCUATIONS UNDER
TEN YEARS OF COMMUNIST CONTROL

OFFICE OF RESEARCH AND REPORTS

#### CENTRAL INTELLIGENCE AGENCY

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# CZECHOSLOVAKIAN AIRLINE FLUCUATIONS UNDER TEN YEARS OF COMMUNIST CONTROL

Scheduled operations of Czechoslovakia Airlines (CSA) on external routes in the period February 1948 to February 1958 reflect largely changes in Soviet civil air policy. At the time of the Communist coup, Czechoslovakia had an extensive air network stretching from the Scandinavian countries to the Near East and flew intensive schedules from Prague to West European cities. Czechoslovakia was a member of The International Civil Aviation Organization (ICAO) while CSA was a member of The International Air Transport Association (IATA) and operated in accordance with international standards.

After the seizure of power by the Communists in February 1948, Czech business and tourist contacts with the West were curtailed and a decline in international flights soon followed. This decline was accelerated by the promulgation of the joint US-UK satellite aviation policy in 1949 which had as its objects the restriction of Soviet-Satellite airlines to bloc airspace and the denial of equipment from Western sources, as well as the interdiction of satellite services to the Near East.

Difficulties in procuring aviation fuel and lubricants as well as shortages of spare parts began to be felt in 1949, and by 1950 political factors had a strong impact on CSA operations. The civil air route to Lydda via Athens, set up by the Czechs in aid to Israel, antagonized the Arab countries. Lebanon and Egypt, as a result, refused landing rights to CSA, and Turkey and Greece, though comembers of ICAO with Czechoslovakia, found grounds for refusing transit and overflight privileges. These moves halted CSA operations to the Near East.

Subsequently traffic declines forced the abandonment as unprofitable of schedules to Nice and Oslo. Loss of European routes, which followed, was due to economic as well as political factors. The lucrative Prague-London route was lost to CSA because BEA\* found its operations in Prague hedged about with regulations which made the British share of the operation econimically unsound. Czech privileges in the UK were therefore cancelled. CSA's services to Zurich, Brussels, Amsterdam and Paris were all stopped as a result of the prohibition of flights over Western Germany in 1951 by the US, UK and France.

In the autumn of 1952, CSA suspended services to Stockholm and Helsinki. By the year 1953, therefore, Czechoslovakian external routes were reduced to the neighboring Satellite capitals—Sofia, Budapest, Bucharest—and to the Soviet sectors of Berlin and Vienna, with an uneconomic Prague—Copenhagen route as the only remaining West European link. 1/

A number of Soviet civil air policy changes in 1954 resulted in an upswing of CSA fortunes. The USSR withdrew from the joint ownership in satellite and other bloc airlines. The

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<sup>\*</sup> British European Airways

USSR concluded reciprocal air agreements with members of the bloc and the satellites exchanged rights with each other. Furthermore, any Sino-Soviet bloc country sharing a route with Aeroflot was allotted the same type of Soviet-built aircraft which the USSR used on the joint route.

Czechoslovakia, the most sophisticated of the satellites in air operations, was given a route to Moscow and received the II-14, the newest two-engine Soviet-built transport, to fly the route shared with the Soviet carrier Aeroflot. CSA began to recover routes to Western Europe, and Prague attained importance as an exchange point for such services as the Air France-Aeroflot Paris-Moscow route and the Air India International Delhi-London route. In October 1957, Czechoslovakian II-14 aircraft began operations in a pool with BEA's Viscounts on the Prague-London route. At the same time, CSA initiated a new bloc route to Tirana, Albania, with a short stop in Belgrade, Yugoslavia. 2/

The Czech airline has recently received three of the TU-104A, 70-passenger, jet transports which will be suitable for flying long distance routes as well as the Prague-Moscow segment of the route to Peking shared with Aeroflot. 3/ With modern aircraft at her command, Czechoslovakia will probably resume flights to the Middle East. Agreements are said to have been signed for use of the jet aircraft to Cairo, Damascus and Beirut. 4/ Authorization of Czech air service to Beirut also increases the pressure on the Greek government to grant transit rights. Czechoslovakia, with Poland, through ICAO membership and as co-signer of the Air Transit agreement with Greece, can expect to receive transit rights now that the Lebanese bilateral gives the Czechs a point beyond Athens as a destination. 5/

CSA may be the only successful bloc entrant into Middle East airspace, at least for the present. The USSR and Rumania, recently seeking Greek rights, met obstructions. The Greeks stated that any Greek-Soviet bilateral would include rights to Moscow and beyond in exchange for rights beyond Athens to the Middle East and would protect the right to use pilots other than those of Greek nationality. Rumania was granted temporary terminal rights at Athens, but no rights beyond. 6/ However, if Czechoslovakia seeks to renew the transit permit through and beyond Athens, it will be difficult for the Greeks to find an expedient for refusal.

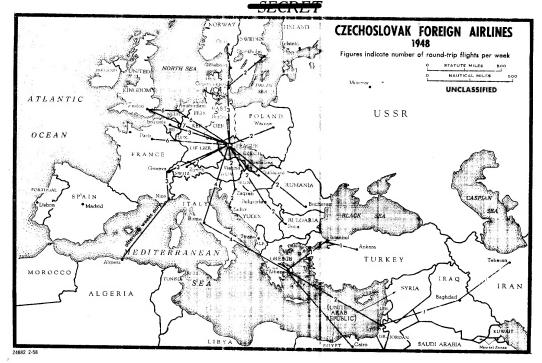
Although CSA is not known to have yet approached Brazil for entry rights, there is an interline agreement between the carriers Panair do Brasil and CSA which makes use of the IATA clearing house for exchanges. 7/

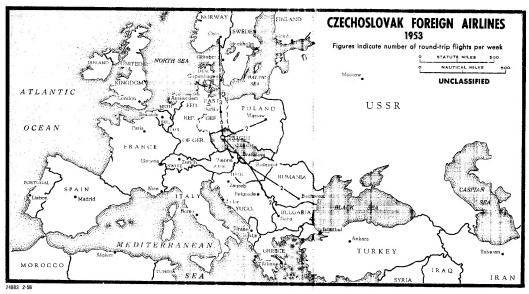
Czechoslovakia may be expected to pursue an aggressive policy in the initiation of further international routes, once she has regained a foothold in the Middle East.

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Analyst:
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